

## Message Text

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ORIGIN EUR-25

INFO OCT-01 ISO-00 SS-20 NSC-07 CIAE-00 PM-07 INR-11 L-03

ACDA-19 NSAE-00 PA-04 RSC-01 PRS-01 SP-03 USIA-15

TRSE-00 SAJ-01 OMB-01 IO-14 DODE-00 DRC-01 /134 R

66607

DRAFTED BY OSD/I AND L: MR NOLAN EUR/RPM:EREHFELD

APPROVED BY EUR/RPM:EREHFELD

OSD/C:MR UMBARGER

OSD/ISA:GEN MCAULIFFE

JS/J-4: COMD BYERS(INFORMED)

----- 100417

P R 051425Z AUG 74

FM SECSTATE WASHDC

TO USMISSION NATO PRIORITY

INFO AMEMBASSY PARIS

USCINCEUR

NSE/NSSG BRUSSELS

USNMR SHAPE

C O N F I D E N T I A L STATE 169763

E.O. 11652: GDS

TAGS: NATO XG, ETRN

SUBJECT: CENTRAL EUROPE PIPELINE SYSTEM (CEPS) COST-SHARING

REF: (A) USNATO 4088; (B) STATE 155424; (C) USNATO 4207

1. CONCUR IN CONTINUED EFFORT TO OBTAIN COST SHARING  
FORMULA AS OUTLINED PARA 4, REF A.

2. FYI: WE RECOGNIZE THAT INTERIM FORMULA NEAR 20  
PERCENT MAY PREJUDICE FURTHER REDUCTION THROUGH PANSA  
GROUP AS OUTLINED PARA 6, REF A, AND INSTITUTIONALIZE  
EXISTING UNDESIRABLE TAX AND CEPS MANAGEMENT CONSIDERATIONS  
WHICH U.S. HAS SOUGHT TO REVISE. IT IS THESE FACTORS  
WHICH MOTIVATED THE OBSERVATIONS AND SUGGESTIONS FOR  
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REVISED U.S. APPROACH TO THE CONCEPT OF CEPS OPERATIONS

CONTAINED REF B. IT APPEARS UNLIKELY THAT WE WILL GAIN  
ULTIMATE OBJECTIVE OF ZERO CONTRIBUTION TO CEPS DEFICIT  
IN NEAR-TERM. ONLY SATISFACTORY ALTERNATIVE UNDER THESE  
CONDITIONS APPEARS TO BE DEVELOPMENT NEW APPROACH  
TO CEPS PROBLEM ALONG LINES SUGGESTED REF B OR SOME  
OTHER CONCEPT WHICH MISSION MIGHT WISH TO SUGGEST. END FYI.

3. IN REPLY TO LETTER QUOTED IN REF C, RECOMMEND YOU  
EXPRESS APPRECIATION FOR HOLDEN'S OFFER TO STRIVE TOWARDS  
A NEW AND EQUITABLE COST SHARING FORMULA, AND EXPRESS  
HOPE THAT THIS CAN BE ACHIEVED BEFORE REACHING FINANCIAL  
PROBLEMS ANTICIPATED IN HIS LETTER. KISSINGER

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** COMMITTEE MEETINGS, PETROLEUM PIPELINES, COST ESTIMATES, FINANCIAL CONTRIBUTIONS, MEETING PROCEEDINGS  
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**Draft Date:** 05 AUG 1974  
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**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** golinofr  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
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**Previous Handling Restrictions:** n/a  
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**To:** NATO BRUSSELS  
**Type:** TE  
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